

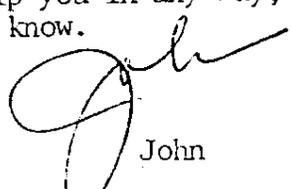
ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Federal Managers Financial Integrity Act

1-4

FRC EO/DDA 7D-18 Hqs.	EXTENSION 	NO. DDA 82-2273/7 DATE	STAT STAT
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TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. D/Finance 1212 Key Bldg.				Ed: Mr. Fitzwater has requested that I ask you to pull together, in outline fashion, all information relating to our internal control systems. During the past couple of weeks I have forwarded material on this subject to you. In the event that you cannot readily get your hands on the information, I have attached a copy herewith. If I can help you in any way, please let me know. <div style="text-align: right; margin-right: 50px;">  John </div> P.S. The DDA feels that we should pull the information together within the next couple of weeks rather than wait to be directed to do so. In our compilation we should include a synopsis of regulatory issuances that effect internal controls. Att: DDA 82-2273/6 Distribution: 0 - Adse w/att 1 - DDA Subj w/o att 1 - DDA Chrono w/o att 1 - EO Chrono w/o att EO/DDA ba(7Dec82)
2.				
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STAT

ROUTING AND TRANSMITTAL SLIP		Date
TO: (Name, office symbol, room number, building, Agency/Post)		Initials
1. EO/DOA		DEC 1982
2. A/DDA		DEC 1982
3. DDA		DEC 1982
4. EO		DEC 1982
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

B. A. ① cc of material on Fed. Mat Integrity Act to D/O P. ^{12 DEC 1982} Done

② suggest to Ken that Exec Sec fwd cc of pkg to Comptroller + D/O P. ^{2 DEC 1982} Done

3-4 John, think we should pull some data together now & not wait to be directed - Agree?

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions ^{6 DEC 1982}

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

EXECUTIVE SECRETARIAT
Routing Slip

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI		✓		
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt		✓		
13	D/EEO				
14	D/Pers		✓		
15	D/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20					
21					
22					

SUSPENSE _____
Date _____

Remarks:

Executive Secretary
12/1/82
Date

THE WHITE HOUSE
WASHINGTON

Executive Registry
82-13267

CABINET AFFAIRS STAFFING MEMORANDUM

ED/AS
82-2273/6

DATE: 11-30-82 NUMBER: 077630CA DUE BY: _____

SUBJECT: Cabinet Council on Management and Administration

December 1, 1982 - 11:00 a.m. in the Roosevelt Room

	ACTION	FYI		ACTION	FYI
ALL CABINET MEMBERS	<input type="checkbox"/>	<input type="checkbox"/>	Baker	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vice President	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Deaver	<input type="checkbox"/>	<input type="checkbox"/>
State	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Clark	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Treasury	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Darman (For WH Staffing)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Defense	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Harper	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Attorney General	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Jenkins	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Interior	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Wheeler	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Kudlow	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commerce	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HHS	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HUD	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Education	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Counsellor	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
CIA	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
UN	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
USTR	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
CEA	<input type="checkbox"/>	<input type="checkbox"/>	CCCT/Gunn	<input type="checkbox"/>	<input type="checkbox"/>
CEQ	<input type="checkbox"/>	<input type="checkbox"/>	CCEA/Porter	<input type="checkbox"/>	<input type="checkbox"/>
OSTP	<input type="checkbox"/>	<input type="checkbox"/>	CCFA/Boggs	<input type="checkbox"/>	<input type="checkbox"/>
GSA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCHR/Carleson	<input type="checkbox"/>	<input type="checkbox"/>
OPM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCLP/Uhlmann	<input type="checkbox"/>	<input type="checkbox"/>
ACUS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCMA/Bledsoe	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			CCNRE/Boggs	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: The Cabinet Council on Management and Administration will meet on Wednesday, December 1 at 11:00 a.m. in the Roosevelt Room. The agenda and background papers are attached.

RETURN TO: Craig L. Fuller
Assistant to the President
for Cabinet Affairs
456-2823

Becky Norton Dunlop
Director, Office of
Cabinet Affairs
456-2800



THE WHITE HOUSE
WASHINGTON

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

December 1, 1982

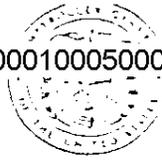
11:00 a.m.

Roosevelt Room

AGENDA

1. Reform 88 Update (CM#312)
2. Federal Managers Financial Integrity Act (CM#314)
3. Federal Civilian Employment (CM#307)
4. Civil Service Centennial (CM#329)
5. President's Private Sector Survey on Cost Control (CM#313)

Page Denied



M-88-2

October 8, 1982

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Internal Control Systems

The recently enacted Federal Managers Financial Integrity Act imposes an important new responsibility on you as an agency head. The Act requires that you report annually to the President and the Congress on how well the internal management systems of your agency are working.

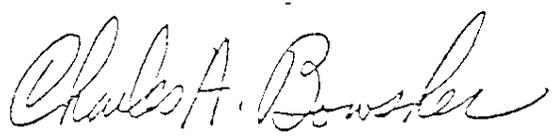
The Act places certain responsibilities on the General Accounting Office and the Office of Management and Budget for the development of standards and guidelines for agency internal control systems. It requires each agency to establish control systems to provide reasonable assurance that

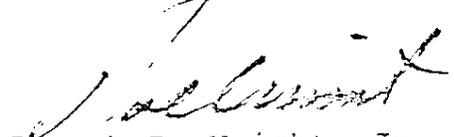
- obligations and costs are in accordance with applicable law;
- funds, property, and other assets are safeguarded;
- revenues and expenditures are properly recorded and accounted for.

Circular A-123, "Internal Control Systems," issued October 30, 1981, sets forth similar requirements. Since a great deal of work has been done already in the agencies to implement Circular A-123, it is intended that any additional standards or guidelines developed under the authority of the Act will build upon those in the Circular.

OMB and GAO plan to work together very closely in implementing the Act and in assuring that the momentum already built up within the agencies for improved internal control is sustained. We believe the Act presents an opportunity for a partnership effort among OMB, GAO and the operating agencies to put Government financial practices on a sound, businesslike basis.

We also believe that effective internal control systems will provide a sound foundation for much-needed management reforms. We know we can expect your support in this effort.


 Charles A. Bowsher
 Comptroller General
 of the United States


 Joseph R. Wright, Jr.
 Deputy Director
 Office of Management and Budget



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 28, 1981

CIRCULAR No. A-123

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Internal Control Systems

1. Purpose. This Circular prescribes policies and standards to be followed by executive departments and agencies in establishing and maintaining internal controls in their program and administrative activities.
2. Background. The Budget and Accounting Procedures Act of 1950 requires the head of each department and agency to establish and maintain adequate systems of internal control. The Antideficiency Act, 31 U.S.C. 665, requires that agency systems for the control of funds be approved by the Director of OMB. Despite these statutory requirements, there continue to be numerous instances of fraud, waste, and abuse of Government resources and of mismanagement of Government programs. These problems frequently result from weaknesses in internal controls or from breakdowns in compliance with internal controls.
3. Policy. Agencies shall maintain effective systems of accounting and administrative control. All levels of management shall involve themselves in assuring the adequacy of controls. New programs shall be designed so as to incorporate effective systems of internal control. All systems shall be evaluated on an ongoing basis.
4. Definitions. For the purpose of this Circular, the following terms are defined:
 - a. Agency -- any department or independent establishment of the executive branch.
 - b. Agency Component -- a major organization, program, or functional subdivision of an agency having one or more separate systems of internal control.
 - c. Internal Controls -- the plan of organization and all of the methods and measures adopted within an agency to safeguard its resources, assure the accuracy and reliability of its information, assure adherence to applicable laws, regulations and policies, and promote operational economy and efficiency.

- d. Internal Control Documentation -- written policies, organization charts, procedural write-ups, manuals, memoranda, flow charts, decision tables, completed questionnaires, software, and related written materials used to describe the internal control methods and measures, to communicate responsibilities and authorities for operating such methods and measures, and to serve as a reference for persons reviewing the internal controls and their functioning.
- e. Internal Control System -- the totality of the methods and measures of internal control for all or part of an agency.
- f. Vulnerability Assessment -- a review of the susceptibility of an agency or program to loss or unauthorized use of resources, errors in reports and information, illegal or unethical acts, and/or adverse or unfavorable public opinion.
- g. Internal Control Review -- a detailed examination of an agency's or agency component's system of internal control to determine whether adequate control measures exist and are implemented to prevent or detect the occurrence of potential risks in a cost effective manner.
5. Responsibility. Designing, installing and monitoring internal control systems for their effectiveness and identifying and initiating needed changes is the responsibility of the agency head. The Inspector General, or his equivalent in agencies without an Inspector General, also has a responsibility in regard to internal controls, as explained in paragraph 5b.
- a. Agency heads are responsible for the establishment and maintenance of a system or systems of internal control within their agencies. This responsibility includes determining that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions.
- Each agency head shall issue an internal control directive (if one does not exist) and a review plan by March 31, 1982 (see paragraph 3). Where additional internal control directives are required for agency components, the head of the agency shall ensure that such directives are consistent with the agency directive.
- b. The Inspector General, or the senior audit official where there is no Inspector General, will, in conjunction with internal audits, review internal control documentation, systems, and compliance to determine whether the policies and standards established by this Circular are being implemented properly. Reviews should also be made of the audit follow-up system in order to ensure management's follow-up of audit findings and recommendations. Additional reviews will be performed as necessary to provide sufficient agency coverage.

6. Objectives of Internal Control. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that financial and other resources are safeguarded from unauthorized use or disposition; transactions are executed in accordance with authorizations; financial and statistical records and reports are reliable; applicable laws, regulations and policies are adhered to; and resources are efficiently and effectively managed.
7. Standards of Internal Control. Certain basic standards shall be adhered to in the system(s) of internal control established by an agency or agency component. These include:
 - a. Documentation -- Internal controls, accountability for resources, and all financial transactions shall be clearly documented, and documentation shall readily be available.
 - b. Recording of Transactions -- Transactions shall be recorded as executed, when executed, and be properly classified.
 - c. Execution of Transactions -- Independent evidence shall be maintained that authorizations are issued by persons acting within the scope of their authority and that transactions conform with the terms of the authorizations.
 - d. Separation of Duties -- Key duties such as authorizing, approving, recording transactions, issuing or receiving assets, making payments, and reviewing or auditing shall be assigned to separate individuals to minimize the risk of loss to the Government. Internal control depends largely on the elimination of opportunities to conceal errors or irregularities. This in turn depends on the assignment of work in such a fashion that no one individual controls all phases of an activity or transaction, thereby creating a situation that permits error or irregularities to go undetected.
 - e. Supervision -- Qualified and continuous supervision shall be provided to assure that approved procedures are followed. Lines of personal responsibility and accountability shall be clear.
 - f. Access to Resources -- Access to resources shall be limited to authorized personnel. Access includes both direct physical access and indirect access through the preparation or processing of documents that authorize the use or disposition of resources. Periodic comparison shall be made of the

resources with the recorded accountability to determine whether the two agree. The frequency of the comparison shall be a function of the vulnerability of the asset.

g. Competent Personnel -- Reasonable care shall be taken that key personnel have high standards of integrity, and are competent, by education, training or experience to accomplish their assigned duties.

h. Reasonable Assurance -- Internal control systems shall provide reasonable, but not absolute, assurance that the objectives of the system will be accomplished. This standard recognizes that the cost of internal controls should not exceed the benefits derived therefrom, and that the benefits consist of reductions in the risks of failing to achieve the stated objectives.

8. Requirements for Agency Internal Control Directive and Plans.
An agency directive and accompanying plan required by paragraph 5 will, at a minimum:

a. Identify an appropriate official, establish an internal control committee, or otherwise establish specific responsibility for seeing that agency internal control systems are developed (where they do not exist), maintained, reviewed, and improved as necessary.

b. Provide for coordination between program managers and technical staffs, including the Office of Inspector General or its equivalent in agencies without an Inspector General, in matters concerning internal control.

c. Assign responsibility for internal control to specific officials in each component of the agency and provide that performance appraisals reflect accomplishments of this responsibility.

d. Require each internal control system to meet the standards of internal control described in paragraph 7.

e. Provide a plan by March 31, 1982 for vulnerability assessments covering all agency components to be accomplished by December 31, 1982, and as frequently as circumstances warrant thereafter, but not less frequently than biennially. Such assessments should be used to determine when and in what sequence reviews of the effectiveness of internal controls should be performed and systems improved or documented.

Vulnerability assessments should consider, but need not be limited to, the following: newness of the program, dollar value of the program, nature of the program and its clientele, recent changes in program control or resource levels, impact of the program on persons or organizations external to the agency, the appreciation for effective internal control by

persons operating the program, assumed effectiveness of existing controls, recent instances of errors or irregularities, and the interval since the most recent evaluation or audit.

f. Provide for internal control reviews on an ongoing basis to determine whether the controls are operating as intended and are effective. These reviews should identify internal controls that need to be strengthened or streamlined. They should be a part of normal management and budget analyses and should draw on available audit reports and other sources.

The frequency of the reviews shall be determined by the Inspector General and/or the agency head. The Inspector General may do a review at any time.

g. Establish administrative procedures to enforce the intended functioning of the internal controls. Included in the procedures should be notations in performance appraisals for positive accomplishments related to internal controls, appropriate disciplinary actions for violations of internal controls, and correction of internal control weaknesses, however identified.

These procedures should also include reports to the agency head on all significant internal control breakdowns and financial losses, in accordance with criteria established by the agency head. Reporting and discipline for lesser violations may be handled at lower levels.

9. Specific Internal Control Guides. Models and other guidelines for internal controls for specialized aspects of agency operations will be developed from time-to-time and issued separately to aid agencies in designing specific internal control systems.
10. Reporting. Agencies may be required to include information on financial losses, system breakdowns and progress in making system reviews as part of their annual report to OMB on financial management improvement.
11. Effective Date. This Circular is effective on publication.
12. Inquiries. All questions or inquiries should be addressed to the Financial Management Branch, Office of Management and Budget, telephone number 202/395-4773.
13. Sunset Review Date. This Circular shall have an independent policy review to ascertain its effectiveness three years from the date of issuance.


David A. Stockman
Director

PUBLIC LAW 97-255—SEPT. 8, 1982

FEDERAL MANAGERS' FINANCIAL
INTEGRITY ACT OF 1982

Public Law 97-255
97th Congress

An Act

Sept. 8, 1982
[H.R. 1525]

To amend the Accounting and Auditing Act of 1950 to require ongoing evaluation and reports on the adequacy of the systems of internal accounting and administrative control of each executive agency, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Federal
Managers'
Financial
Integrity Act of
1982
31 USC 65 note.

SECTION 1. This Act may be cited as the "Federal Managers' Financial Integrity Act of 1982".

SEC. 2. Section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a) is amended by adding at the end thereof the following new subsection:

Internal
Accounting and
administrative
controls.
Establishment.

"(d)(1)(A) To ensure compliance with the requirements of subsection (a)(3) of this section, internal accounting and administrative controls of each executive agency shall be established in accordance with standards prescribed by the Comptroller General, and shall provide reasonable assurances that—

"(i) obligations and costs are in compliance with applicable law;

"(ii) funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and

"(iii) revenues and expenditures applicable to agency operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the assets.

"(B) The standards prescribed by the Comptroller General under this paragraph shall include standards to ensure the prompt resolution of all audit findings.

Evaluation
guidelines.

"(2) By December 31, 1982, the Director of the Office of Management and Budget, in consultation with the Comptroller General, shall establish guidelines for the evaluation by agencies of their systems of internal accounting and administrative control to determine such systems' compliance with the requirements of paragraph (1) of this subsection. The Director, in consultation with the Comptroller General, may modify such guidelines from time to time as deemed necessary.

Modification.

Compliance,
statement.

"(3) By December 31, 1983, and by December 31 of each succeeding year, the head of each executive agency shall, on the basis of an evaluation conducted in accordance with guidelines prescribed under paragraph (2) of this subsection, prepare a statement—

"(A) that the agency's systems of internal accounting and administrative control fully comply with the requirements of paragraph (1); or

"(B) that such systems do not fully comply with such requirements.

Report.

"(4) In the event that the head of an agency prepares a statement described in paragraph (3)(B), the head of such agency shall include with such statement a report in which any material weaknesses in the agency's systems of internal accounting and administrative

control are identified and the plans and schedule for correcting any such weakness are described.

"(5) The statements and reports required by this subsection shall be signed by the head of each executive agency and transmitted to the President and the Congress. Such statements and reports shall also be made available to the public, except that, in the case of any such statement or report containing information which is—

Statements and reports transmitted to President and Congress available to public.

"(A) specifically prohibited from disclosure by any provision of law; or

"(B) specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs,

such information shall be deleted prior to the report or statement being made available to the public."

Sec. 3. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding at the end thereof the following new subsection:

"(k)(1) The President shall include in the supporting detail accompanying each Budget submitted on or after January 1, 1980, a separate statement, with respect to each department and establishment, of the amounts of appropriations requested by the President for the Office of Inspector General, if any, of each such establishment or department.

Appropriations.

"(2) At the request of a committee of the Congress, additional information concerning the amount of appropriations originally requested by any office of Inspector General, shall be submitted to such committee."

Sec. 4. Section 112(b) of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a(b)), is amended by adding at the end thereof the following new sentence: "Each annual statement prepared pursuant to subsection (d) of this section shall include a separate report on whether the agency's accounting system conforms to the principles, standards, and related requirements prescribed by the Comptroller General under section 112 of this Act."

Agency's accounting system.

31 USC 66a.

Approved September 8, 1982.

LEGISLATIVE HISTORY—H.R. 1525 (S. 654):

HOUSE REPORT No. 97-381 (Comm. on Government Operations),
CONGRESSIONAL RECORD:

Vol. 127 (1981): May 18, considered and passed House.

Vol. 128 (1982): Aug. 4, considered and passed Senate, amended.

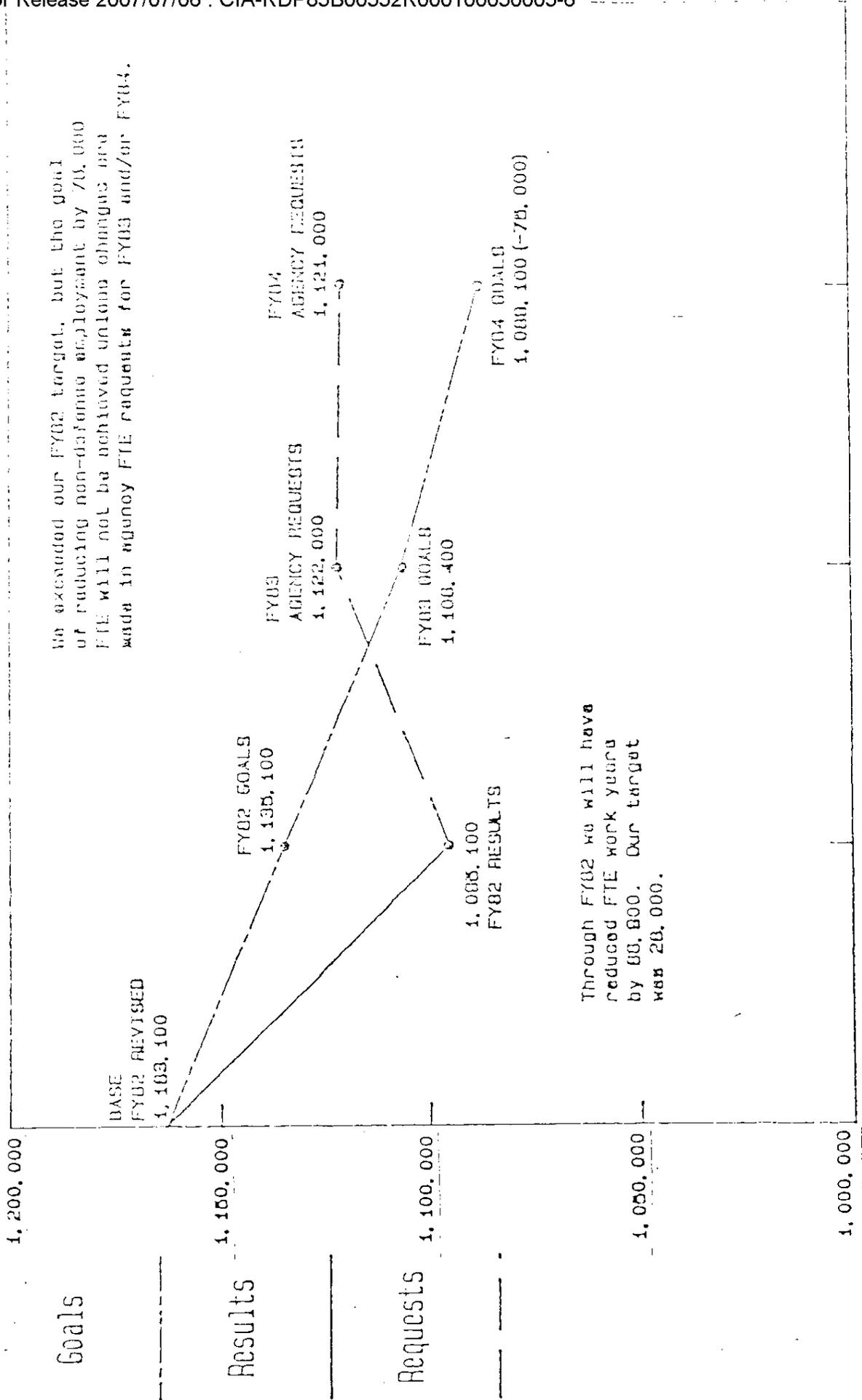
Aug. 19, House concurred in Senate amendment.



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Non-Defense Employment (end of FY 1982) Full Time Equivalent Work Years

FTE Work Years



We exceeded our FY82 target, but the goal of reducing non-defense employment by 70,000 FTE will not be achieved unless changes are made in agency FTE requests for FY83 and/or FY84.

Through FY82 we will have reduced FTE work years by 60,000. Our target was 20,000.

BASE
FY82
REVISED

82

83

84

Fiscal Year

65

Executive Branch (Related to Ceiling) Civilian Employment and Work Years by Selected Agency, September 1982*

Agency	Total Employment a/				Employees with Full-time Perm Appointments Change From Jan. 1981 b/	Current Fiscal Year 1982				End FY 1984 Targets	
	September 1982*	Change From				Work Years FY 81 c/	Work Years Estimate FY 1982 d/	Work Years Cumulative to Date e/	% of WY Used (100% of Year Elapsed)	Net Reduct. (Incr.) thru Current Period f/	% of Target Reducts. (Incr.) Achieved g/
		August 1982	September 1981	January 1981 h/							
EXECUTIVE BRANCH	2,747,555	- 71,854	- 31,607	- 81,652	+ 3,189						
STATE	24,033	- 251	+ 357	+ 508	+ 6,817	22,900	23,000	23,545	102.4	(+ 645)	(107.5)
TREASURY	117,769	- 1,636	- 3,190	- 11,530	- 9,786	124,300j/	122,100	115,829	94.9	- 8,471	403.4
DEFENSE, TOTAL h/	978,634	- 47,571	+ 6,892	+ 19,918	+32,603	970,000	977,500	1,000,235	102.5	(+31,424)	(337.9)
DEFENSE, MILITARY TOTAL	947,061	- 45,898	+ 7,119	+ 21,738	+34,155	937,700	945,200	969,124	102.5	(+30,235)	(495.6)
ARMY, MIL. FUNC. TOTAL	322,057	- 20,188	+ 3,779	+ 9,657	+14,903	313,700	316,200	321,935	102.7	(+10,935)	NA
DEPARTMENT OF THE NAVY	308,885	- 18,134	+ 2,238	+ 1,766	+10,215	311,000	313,500	321,935	102.7	(+10,935)	NA
DEPARTMENT OF THE AIR FORCE	235,456	- 7,566	+ 2,523	+ 4,008	+ 3,291	231,700	233,500	238,056	102.0	(+ 6,356)	NA
DEFENSE LOGISTICS AGENCY	46,997	- 183	+ 939	+ 1,809	+ 1,511	48,000	48,700	46,493	95.5	- 1,807	NA
OTHER DEFENSE ACTIVITIES	33,666	+ 173	+ 1,116	+ 4,498	+ 4,235	33,000	33,300	31,837	95.6	- 1,163	NA
DEFENSE, CIVIL TOTAL	31,573	- 1,673	- 227	- 1,820	- 1,552	32,300	32,300	31,111	96.3	- 1,189	37.2
JUSTICE	56,563	+ 375	+ 2,061	+ 836	+ 290	54,400	55,700	53,876	96.7	- 524	26.2
INTERIOR	78,059	- 4,944	- 3,085	- 2,902	+ 265	81,700j/	79,300	73,220	92.3	- 8,840	104.7
AGRICULTURE	120,200	- 5,212	- 7,091	- 7,220	+ 7,365	121,000	117,000	111,853	95.6	- 9,147	75.6
COMMERCE	34,145	- 404	- 5,251	- 13,855	- 3,985	36,300j/	35,200	32,413	92.1	- 3,887	81.0
LABOR	19,124	+ 515	- 1,947	- 4,371	- 2,940	21,600	19,200	19,184	99.9	- 2,416	86.3
HEALTH AND HUMAN SERVICES	144,270	- 1,748	- 6,269	- 12,965	-11,961	154,000j/	147,200	141,548	96.2	-12,452	75.5
HOUSING AND URBAN DEV	14,238	- 66	- 1,237	- 2,831	- 2,245	15,700	14,900	14,609	98.0	- 1,091	68.2
TRANSPORTATION	61,816	+ 85	+ 2,977	+ 9,975	-10,927	68,100	60,100	60,340	100.4	+ 7,760	138.6
ENERGY 1/	17,746	+ 887	+ 1,684	+ 3,422	+ 3,232	18,700	18,400	17,920	97.4	- 780	17.7
EDUCATION 1/	5,680	+ 72	- 774	- 1,576	- 540	6,600	6,100	5,639	92.4	- 961	87.4
ENVIRONMENTAL PROTECTION AGENCY	11,676	- 290	- 553	- 2,412	- 1,406	12,900	12,200	11,450	93.9	- 1,450	60.4
EQUAL EMPLOY OPP COMM	3,190	- 15	- 222	- 394	- 244	3,400	3,400	3,166	93.1	- 234	NA
FEDERAL DEPOSIT INS CORP	3,435	+ 184	+ 122	- 36	+ 230	3,500	3,300	3,275	99.2	- 225	NA
FEDERAL EMERGENCY MGMT AGENCY	2,183	- 163	- 149	- 1,076	- 133	2,300	2,300	2,228	96.9	- 72	NA
GENERAL SERVICES ADMIN	30,135	- 158	- 3,630	- 6,875	- 5,592	32,800	32,300	30,168	93.4	- 2,632	82.3
NATL AERO & SPACE ADMIN	22,312	- 291	- 424	- 1,084	- 1,602	22,700	22,500	22,430	99.7	- 270	38.6
NATL LABOR RELATIONS RD	2,599	- 28	- 290	- 351	- 337	3,100	2,700	2,670	98.9	- 430	NA
NUCLEAR REGULATORY COMM	6,529	+ 74	- 1,024	- 1,815	- 1,361	6,600	6,400	5,996	93.7	- 604	86.3
OFFICE OF PERSONNEL MGMT	8,329	- 653	- 145	- 293	- 81	9,100	9,000	8,708	96.8	- 392	392.0
PANAMA CANAL COMM	4,897	- 71	- 127	- 999	+ 392	4,700	4,500	4,340	96.4	- 360	60.0
SMALL BUSINESS ADMIN	4,443	- 60	+ 99	- 111	- 72	4,300	4,300	4,140	96.3	- 160	NA
SMITHSONIAN, SUMMARY	39,899	- 65	- 10,195	- 11,247	- 1,751	44,800	42,500	41,230	97.0	- 3,570	79.3
TENNESSEE VALLEY AUTH	7,890	+ 5	+ 55	+ 205	+ 2,300	7,600j/	7,900	7,805	98.8	(+ 205)	(68.3)
U.S. INFORMATION AGENCY	5,549	- 19	- 272	- 599	+ 2,046	5,800	5,700	5,532	97.1	- 268	67.0
U.S. INTNATL DEV COOP AGENCY	234,306	- 1,524	+ 3,746	+ 2,138	- 471	209,600	215,900	215,321	99.7	(+ 5,721)	(61.5)
VETERANS ADMINISTRATION	659,552	- 7,176	- 3,548	- 4,544	+ 9,887	NR	NR	NR	NR	NR	NR
U.S. POSTAL SERVICE	24,779	- 360	- 3,135	- 2,698	- 763						
EXECUTIVE BRANCH (EXCLUDING USPS & POSTAL RT COMM)	2,087,934	- 64,678	- 28,060	- 77,104	- 6,695	2,100,800	2,080,300	2,064,252	99.2	-36,548	55.6
EXEC BR (EXCL USPS, POSTAL RT COMM & DOD (MIL FUNC))	1,140,873	- 18,780	- 35,179	- 98,842	-40,850	1,162,100	1,134,100	1,095,128	96.6	-66,972	89.3

* Preliminary. ** Estimated due to late agency reporting. NA - Not Available. NR - Not Reported to OPM.
a/ Source: Monthly Report of Federal Civilian Employment (SF 113-A); covers on-board employment as of end of report period.
b/ Based on average monthly employment for Calendar Year 1980.
c/ Special Analysis I, FY 1983 Budget -- Revised Budget Estimate for beginning of FY 1982.
d/ Special Analysis I, FY 1983 Budget -- FY 1982 Current Estimate; does not reflect mid-year adjustments.
e/ Source: Monthly Report of Full-time Equivalent/Work Year Civilian Employment (SF 113-G).
f/ Based on same month in Revised Budget Estimate for Beginning of FY 1982.
g/ Special Analysis I, FY 1983 Budget; FY 1984 Net Reductions Goal of 75,000 Work Years in non-Defense agencies.
h/ Defense work years reported only for Corps of Engineers portion of Defense (Civil) Functions; remainder estimated by Department of Defense.
i/ Employment for activities performed by Departments of Energy and Education prior to dismantlement are shown with those Departments.
j/ Excludes work years for activities performed by Energy and Education to be shifted upon dismantlement to other agencies.



Office of the Director

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

100

MEMORANDUM

To: Members of the Cabinet Council on
Management and Administration

From: Donald J. Devine 
Director, OPM

Subject: Proposal for Commemoration of U.S. Civil
Service Centennial

Attached are materials for a briefing on the Civil Service Centennial which is scheduled for the CCMA meeting on Wednesday, December 1, 1982. The Office of Personnel Management has been preparing for a variety of activities connected with the Centennial for more than a year, and a tentative schedule of events for the month of January are shown on an attached calendar.

Also included are draft texts of: a Presidential Proclamation on the Centennial, and a memo from the President to heads of departments and agencies asking that they participate in activities commemorating the event.

I will describe the preparations and activities in which OPM is involved in more detail at the meeting on the first.

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Tentative Centennial Celebration Events January 1983						1
2	3 OPM News Conference	4 Presidential Memo to Heads of Agencies	5	6	7	8
9	10 Presidential Proclamation	11 Federal Employee Appreciation Day	12 Senate Committee Observance	13 House Committee Observance	14 Department of Agriculture Ceremony Department of Commerce Ceremony	15
16 White House Reception	17 Unveiling of Stamp Network News Feature	18 Department of the Treasury Ceremony Unveil Exhibit Network News Feature	19 OPM/Union Observance Department of Housing and Urban Development Ceremony Network News Feature	20 OPM Hall of Fame Unveiling Department of Energy Ceremony	21 Department of Defense Ceremony Department of Health and Human Services Ceremony	22
23	24 Department of Education Ceremony Introduction of Book Department of the Interior Ceremony	25 Department of Justice Ceremony Panel Discussion of CSRA	26 Panel Discussion on Roosevelt Era Department of Labor Ceremony	27 Vignettes—Women Department of Transportation Ceremony	28 Department of State Ceremony Vignettes Veterans	29
30	31 Vignettes—Minorities					

Draft Presidential Proclamation
Centennial of the U.S. Civil Service System

By the President of the United States of America

A Proclamation

January 16, 1983 marks the one hundredth anniversary of the signing of the Pendleton Act, which created the American civil service system. The Act established the principle of hiring according to merit in the Federal service, and although the system has been modified and refined down through the years, it has played an essential role in ensuring the stability of the world's largest and most successful democracy.

The civil service as an institution has provided the framework of continuity which has enabled our government to survive world wars and depression, the turbulence of the Vietnam era, and even crises in presidential succession. Our ability to function effectively in times of trial and upheaval, and to prosper when the storm has passed, depend in no small degree upon the contributions of those who make up this vital institution.

The American civil service system succeeds because of several factors: it is built upon the principle that selection of career civil servants must be based upon merit principles, with a goal of hiring capable, qualified people to do the public's work; and it provides for a vital partnership between political leaders, who bring with them policies and programs endorsed by the electorate, and career civil servants, who provide the expertise and continuity which are essential to the effective operation of a government as large and varied as ours.

In commemoration of the Centennial, events highlighting the history and accomplishments of the civil service system will be sponsored by public agencies and private organizations throughout America during the month of January and in the months following.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, do hereby designate January 16, 1983, Civil Service Centennial Commemoration Day.

I urge all Americans to to join with members of the U.S. civil service system, and the many professional associations and employee unions which represent them, in commemorating the centennial anniversary of the institution to which they belong, in appreciation for the countless contributions they have made in behalf of all Americans over the past one hundred years.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___ in the year of our Lord nineteen hundred and eighty ___ and of the Independence of the United States the two hundred and ___.

Draft Presidential Memo

MEMORANDUM

Subject: U.S. Civil Service Centennial

To: Heads of Departments and Other Agencies

As one Federal employee to another, I'd like to ask you and your agency to join me in commemorating the Centennial Anniversary of the establishment of the U.S. Civil Service System this month. The Pendleton Act, which created this system, was signed on January 16, 1883, and during the past century, civil servants have achieved a record of accomplishment of which the entire nation can be proud.

The American civil service system succeeds because of several factors: it is built upon the principle that selection of career civil servants must be based on merit principles, with a goal of hiring capable and qualified people to do the public's work; and it provides for a vital partnership between political leaders, who bring with them policies and programs endorsed by the electorate, and career civil servants, who provide the expertise and continuity which are essential to the effective operation of a government as large and varied as ours.

We have planned a series of events during the month of January, 1983, commemorating the Centennial and drawing attention to the accomplishments of the millions of Federal workers who have served their fellow citizens down through the years. Many private groups and associations of Federal employees are also planning events. The U.S. Office of Personnel Management will coordinate these events, and your participation will enhance the effort to draw attention to the achievements of astronauts and nurses, scientists and park rangers, diplomats and librarians, as well as those in scores of other occupations whose work is vital for so many Americans.